REASONS *for Encouraging the Bank of England; I. In respect of Justice and Common Right. II. Of its Usefulness and the Publick Good.*

First, *As to Justice and Common Right, These Things may be considered:*

I. IN *Anno* 1694. after all Ways had been tried to raise Money, and more was still wanting, the Parliament did not think fit to Tax the People farther; but found out a Way to perswade them to Tax Themselves of their own accord, by encouraging such who would advance 1200000 *l.* to receive the Recompences and Advantages proposed in the Act for Erecting the Bank: Which were framed on purpose to convince every Man, it was his rivate Interest to serve the Publick. And the advancing the Money was a voluntary Act, for the sake of the Advantages offered; which were proposed for no other End, but to encourage the advancing the Money, upon the Credit and Reputation of that Act; which therefore ought not now to be shaken.

II. The Encouragement did not only consist in the Profit of the Advantages proposed, but in the Certainty and Assurance the People depended on to enjoy them for the term of Eleven Years; being granted by the highest Sanction the Government can make, and such as might be relied on securely, That the said Term should not be shortned, nor the Conditions altered or changed, much less weakened and made worse: Which as it was the main Encouragement to the bringing in the Money; so the least Disappointment of the People's just Expectation, to enjoy the promised Advantages fully and solely, for the said Eleven Years, will lessen the Publick Credit, and discourage Loans to the Government hereafter.— And therefore 'tis to be hoped, That since the *Power* and *Wisdom* of the Nation has made such a Constitution, the *Honour* and *Justice* of the Nation will maintain it.

III. Besides the Parliamentary Authority, which the Subscribers relied on, the King, by his Commission, did declare his Royal Intentions, and gave his Gracious Assurances of promoting the Design of the said Act, and putting the same in execution, that the Corporation might be settled *To its own Content*, as the Words of his Commission are.

IV. And his Majesty, the more powerfully to induce a free and liberal Contribution, annexed to his Commission the Draught of the Charter he intended; that all his Subjects, before they parted with their Money, might

know, what the Recompences were, which they were to expect: And the ſaid Draught was Printed, and Copies diſperſed, that every Man might have a true Proſpect of the Advantages he was to enjoy; which were theſe, *viz.*

Firſt, That this Bank ſhould be the only Bank in *England*; which is not only plainly imported by its very Name, but alſo by the Reaſon and Juſtice of the Thing it ſelf: For though there be no Words of Excluſion in the Charter; yet it could not be apprehended that the ſame Priviledges ſhould be granted to any other ſuch Corporation: Becauſe ſuch a Grant muſt of neceſſity deſtroy the very Deſign of the Act for Erecting the Bank; it being a known Rule in Law, That an Act of Parliament introductive of a New Law, implies a *Negative*. So that the Bank of *England*, in point of Law, hath the ſame Security againſt Erecting any other Bank, as if it had been ſo provided for in the very Act. And can any Man think (in caſe either the King or Parliament had told the Subſcribers, That they ſhould be made a Bank, to continue for Eleven Years; but yet that in a Year or two's time, other Banks ſhould be erected by the like Authority) that any Perſon would have ventured to ſubſcribe one Penny? And indeed, thoſe Things which the Act declared ſhould be Recompences and Advantages, would ceaſe from being ſo, when other Banks were erected by like Authority; and the certain Recompences and Advantages, by the Act intended, would at this rate become certain Diſadvantages to the Subſcribers. — Beſides, common Experience confirms us, That the Crown never grants the ſame Things twice: For when a Charter grants certain Priviledges to one Society, 'twas never known that another Charter granted the ſame to any others. —— Moreover, the Practice of other Nations did convince the Subſcribers, that they were to be the ſole Bank of *England*; there being no known Government in the World, that ever erected Two Banks by Publick Authority. Which may be ſuppoſed to be grounded on Reaſons of State: For if Two or more Banks be eſtabliſhed, the Credit will be divided, and become leſs uſeful to any Nation. And though both of them ſhould be equally willing to ſerve the Government, *yet each would render the other unable to do it*, by the Induſtry and Endeavours the one would uſe to ſupplant and undermine the other; in regard their ſeveral Intereſts being either different from, or oppoſite to each other, would naturally engage them both in perpetual Contradictions and Diſputes.

Secondly, The ſecond Recompence was, That the Subſcribers ſhould be incorporated by a Charter, with the uſual Powers granted to other Corporations, as well as thoſe particularly directed by the Act: Which when granted to others, are in a great meaſure taken away from the preſent Bank.

Thirdly, That each Member ſhould have an Intereſt in the Capital Stock of 1200000 *l.* in proportion to his Subſcription.

Fourthly, And alſo in the yearly Fund of 100000 *l. per Annum*.

Fifthly, And Liberty to Deal and Trade in Borrowing and Lending Money, in Bills of Exchange and Bullion, and in Selling Goods, the Product of their Lands. Which Liberty will be much impaired, when the ſame is granted to other.

Laſtly, If the time be conſidered when this Money was advanced, *viz.* in 1694. it muſt appear the Subſcribers could not be ſuppoſed to have advanced

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their Money ſo cheerfully, on the bare Encouragement of the 8 *per Cent.* in regard at that time they could have made more of their Money, by 14 to 20 *per Cent.* (over and above the 8 *per Cent.*) in Lending it upon other Funds, (which the Goldſmiths and Tallymongers well know to be true.) And therefore the 8 *per Cent.* was but a part of the Encouragement to the Contributers, who had an eye to the other Advantages propoſed by the Act, and the term of their duration, and the other Conſequences of the ſame, without which they had never writ. And therefore ſeeing they have writ, and paid their Money, in full aſſurance of thoſe Advantages; it cannot ſeem Juſtice or Equity to deprive them of any one of them, or to ſhorten the term granted for their enjoying them; eſpecially conſidering the hazard they did run, in caſe 600000 *l.* had not been ſubſcribed: For then they muſt, for Eleven Years, have been confined to the 8 *per Cent.* without a Charter, and other the Advantages conſequential thereupon. Which would have been ſuch a Bargain at that time, that none would have taken off their hands for 20 *per Cent.* of their Principal.

Therefore ſeeing theſe were the Advantages propoſed to the People, and the Aſſurances given by the Government for their enjoying the ſame for the certain term of Eleven Years; in Confidence whereof, the whole 1200000 *l.* was writ, and 300000 *l.* of it paid in Ten Days time; there can be no reaſon the Subſcribers ſhould be deprived of any of the Advantages offered; and may expect that nothing ſhould be done, within the ſpace of thoſe Eleven Years, to weaken their Security; ſince it muſt be granted, If *once PARLIAMENTARY Securities are made ſo Doubtful*, it will LESSEN the Credit of the Government for the future.

As to the Uſefulneſs of the Bank of England, *it appears by theſe Conſiderations:*

Firſt, That it ſerves the Occaſions of the Publick.

Secondly, And the Neceſſities of Private Perſons.

I. The Publick has for 18 Months paſt, experienced the Uſefulneſs of it, in theſe Inſtances, *viz.*

1. The 1200000 *l.* raiſed by the Bank, was paid into the Exchequer, with much leſs charge to the King, than either the Million-Lottery, or any other Fund.

2. The Cheerful ſpeed in raiſing it, ſhews the good Inclinations the Subſcribers had to the Government in time of need, and the Confidence they had (which ought not to be fruſtrated) in enjoying the Advantages promiſed them for Eleven Years certain.

3. The Bank has been the ſole cauſe of lowering the Intereſt of Money; which is the only Fund that ever lower'd it, and that too, in time of War, when uſually Intereſt riſes; by which the Nation, ſince the Bank was erected, hath ſaved a great Sum of Money, having been ſupplied at much cheaper Rates than formerly.—— Which lowering of Intereſt, doth moreover, 1. Excite Induſtry: 2. Raiſe the Value of Land; and, 3. Increaſe Trade.

4. It hath alſo, in 12 Months paſt, greatly advanced the Reputation of Tallies

Tallies, which are now become (instead of 30 *per Cent.* loss on them) to be as desirable as Money it self; and therefore instead of giving Money to change them, Money has been given to procure them.

5. The Bank hath and will render all the other Publick Funds more speedily Useful to the Crown than ever, by bringing Money into the Exchequer sooner than otherwise it would come in, for supplying the present Exigencies.

6. The Bank hath delivered the Government out of the hands of those griping Lenders; whose Extortions upon the Publick Necessities, have exceedingly enrich'd themselves.

II. The Private Necessities of single Persons, have been also easily and cheaply supplied in these Instances, *viz.*

1. In lending Money on Mortgages at 5 *per Cent.* without any Procuration or Continuation.

2. In discounting foreign and in land Bills of Exchange, some at 3 *per Cent.* and others at 4½ *per Cent.*

3. In Lending Money on Pawns at 5 *per Cent.* whereas some in their Necessities have heretofore paid above 100 *per Cent.* for Money lent them on Pawns.

4. In lending Money on the Orphans Fund at 5 *per Cent.* which has relieved divers Orphans; who otherwise must have been forced to sell their Interest at under-Rates, to answer their Necessities.

5. In lending Money at 5 *per Cent.* on the Benefitted and Blank Million Lottery-Tickets; whereby the Necessities of Many have been relieved, and the Credit of the Publick Funds preserved.

The Bank hath not directly nor indirectly Traded in any sort whatsoever, nor is any part of the Stock now in Trade nor ever was, except in Bills of Exchange for Payment of our Armies and Fleet abroad; whereby there hath been saved to the King at least 130000 *l.* since *May*, 1695. And the Armies and Fleet have been more speedily and punctually paid than ever they were before: Nor hath it at any time directly or indirectly Ingrossed any kind of Goods.

It hath nothing in it of the Nature nor of the Effect of a Monopoly; for it excludes none from any Trade. It doth not Ingross all the Money, nor in truth any; being only a Great and a Secure Chest, whereinto the Subjects put their Money, and take it out at pleasure.

It hath never imported directly or indirectly, any *Guineas* or *Gold* from *Holland*, &c. Which if it had done (as by Law it might,) many Thousands of Pounds had been gained thereby. But on the contrary, at one time Paying out One Hundred Thousand *Guineas* at 24 *s.* 6 *d.* When at the same time, the Price Current in Town, was 25 *s.* 6 *d.* and 26 *s.* and ever since neither Paying, nor Receiving any; and by other ways it hath endeavoured all it could to prevent the Rise of *Guineas*. *Vide* Mr. *Godfry's* Account.

It did never send any *Guineas* into the Countries, nor to any Place whatsoever, to Exchange for Silver Money or Clipp'd Money, nor to purchase any Directly or Indirectly.

It hath Lent above 40000 *l.* on Land, and did never refuse to Lend Money upon any Mortgage, that ought to be deem'd a sufficient and proper Security.

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